

## § 22.64

permit has been issued by the appropriate ATF officer.

(b) *Bond*. If required to file a bond, the permittee shall furnish a consent of surety on Form 1533 or a new bond to cover the new location.

(Approved by the Office of Management and Budget under control number 1512-0335)

[T.D.ATF-199, 50 FR 9183, Mar. 6, 1985, as amended by T.D. ATF-435, 66 FR 5476, Jan. 19, 2001]

EFFECTIVE DATE NOTE: By T.D. ATF-443, 66 FR 13015, Mar. 2, 2001, § 22.63 was amended by removing the paragraph designation and heading from paragraph (a) and by removing paragraph (b), effective May 1, 2001.

## § 22.64 Return of permits.

Following the termination, surrender or revocation of a permit, or the issuance of a new or amended permit, caused by a change, the permittee shall (a) obtain and destroy all photocopies of the previous permit from its suppliers, and (b) return the original of the permit or obsolete permit to the appropriate ATF officer for cancellation.

### REGISTRY OF STILLS

## § 22.66 Registry of stills.

The provisions of subpart C of part 170 of this chapter are applicable to stills on the premises of a permittee used for distilling. As provided in § 170.55, the listing of a still in the permit application (Form 5150.22), and approval of the application, constitutes registration of the still.

(Sec. 201, Pub. L. 85-859, 72 Stat. 1355, as amended (26 U.S.C. 5179))

[T.D. ATF-207, 50 FR 23682, June 5, 1985]

### PERMANENT DISCONTINUANCE OF USE OF TAX-FREE ALCOHOL

## § 22.68 Notice of permanent discontinuance.

(a) *Notice*. A permittee who permanently discontinues the use of tax-free alcohol shall file a written notice with the appropriate ATF officer to cover the discontinuance. The notice will be accompanied by the permit, and contain—

(1) A request to cancel the permit,

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(2) A statement of the disposition made, as provided in § 22.154, of all tax-free and recovered alcohol, and

(3) The date of discontinuance.

(b) *Bonds*. The bond of a permittee may not be canceled until all tax-free and recovered alcohol has been properly disposed of in accordance with the provisions of this part.

(Approved by the Office of Management and Budget under control number 1512-0335)

EFFECTIVE DATE NOTE: By T.D. ATF-443, 66 FR 13015, Mar. 2, 2001, § 22.68 was amended by removing the paragraph designation and heading from paragraph (a) and by removing paragraph (b), effective May 1, 2001.

## Subpart E—Bonds and Consents of Surety

EFFECTIVE DATE NOTE: By T.D. ATF-443, 66 FR 13015, Mar. 2, 2001, Subpart E, consisting of §§ 22.71-22.82, was removed and reserved, effective May 1, 2001.

## § 22.71 Bond.

(a) Any bond previously approved, under this chapter, on Form 1448 (5150.25) which fulfills the penal sum requirements of paragraph (b) of this section shall remain valid and will be regulated by the same provisions of this subpart as it refers to bonds on Form 5150.25.

(b) Each person who intends to withdraw more than 1,500 proof gallons of tax-free alcohol per annum shall file a bond, Form 5150.25, before issuance of the permit. However, no bond is required if the permittee is a State, any political subdivision of a State, or the District of Columbia. The penal sum of the bond will be as follows:

Maximum annual withdrawals	Bond penal sum
0 to 1,500 proof gallons	No bond required.
Over 1,500 but not over 3,000 proof gallons.	\$2,000 plus \$100 for each additional 100 proof gallons up to a maximum of \$3,000 (2,500 proof gallons).
Over 3,000 but not over 6,000 proof gallons.	\$3,000 plus \$200 for each additional 100 proof gallons up to a maximum of \$7,500 (5,250 proof gallons).
Over 6,000 proof gallons.	\$7,500 plus \$250 for each additional 100 proof gallons up to a maximum penal sum of \$15,000 (9,000 proof gallons).

(c) The following are some examples:

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If your annual withdrawals are	Your penal sum is
1,250 proof gallons .....	No bond required.
2,800 proof gallons .....	\$3,000 (\$2,000 plus \$1,000 (\$100 × 10 units), last 300 proof gallons does not require additional bond coverage).
8,250 proof gallons .....	\$13,000 (\$7,500 plus \$5,500 (\$250 × 22 units), the remaining 50 proof gallons does not increase the bond since it is not an "additional" 100 proof gallon unit).

[T.D. ATF-199, 50 FR 9183, Mar. 6, 1985, as amended by 50 FR 20099, May 14, 1985]

### § 22.72 Evaluation of bond penal sum.

(a) *Permittee's evaluation.* Each permittee shall, for the period from January 1 through the following December 31, make an annual evaluation of its previous and future needs for tax-free alcohol. Based on the results of this evaluation:

(1) The permittee shall file a new bond in increased penal sum, if the existing bond no longer meets the penal sum requirements of § 22.71, or

(2) The permittee may file a new bond in decreased penal sum, if the existing bond exceeds the penal sum requirements of § 22.71.

(b) *Authority of appropriate ATF officer.* The appropriate ATF officer may, at any time, require a permittee to file a new bond in a larger penal sum, or require a satisfactory explanation why a new bond should not be filed.

### § 22.73 Corporate surety.

(a) Surety bonds required by this part may be given only with corporate sureties holding certificates of authority from, and subject to the limitations prescribed by, the Secretary in the current revision of Treasury Department Circular No. 570.

(b) Treasury Department Circular No. 570 is published in the FEDERAL REGISTER annually as of the first workday in July. As they occur, interim revisions of the circular are published in the FEDERAL REGISTER. Copies may be obtained from the Surety Bond Branch, Financial Management Service, De-

partment of the Treasury, Washington, DC 20226.

(Chapter 390, Pub. L. 80-280, 61 Stat. 648 (6 U.S.C. 6, 7))

[T.D. ATF-199, 50 FR 9183, Mar. 6, 1985; 50 FR 20099, May 14, 1985]

### § 22.74 Filing of powers of attorney.

Each bond, and each consent to changes in the terms of a bond, shall be accompanied by a power of attorney authorizing the agent or officer who executed the bond or consent to act on behalf of the surety. The appropriate ATF officer may require additional evidence of the authority of the agent or officer to execute the bond or consent.

(Chapter 390, Pub. L. 80-280, 61 Stat. 648 (6 U.S.C. 6, 7))

### § 22.75 Execution of powers of attorney.

The power of attorney shall be prepared on a form provided by the surety company and executed under the corporate seal of the company. If the power of attorney submitted is not a manually signed original, it shall be accompanied by certification of its validity.

(Chapter 390, Pub. L. 80-280, 61 Stat. 648 (6 U.S.C. 6, 7))

### § 22.76 Deposit of securities instead of corporate surety.

Instead of corporate surety, the principal may pledge and deposit as surety for the bond, securities which are transferable and which are guaranteed as to both interest and principal by the United States, under the provisions of 31 CFR part 225.

(Chapter 390, Pub. L. 80-280, 61 Stat. 648 (6 U.S.C. 6, 7))

### § 22.77 Consents of surety.

Consents of surety to changes in the terms of bonds shall be executed on Form 1533 by the principal and by the surety with the same formality and proof of authority as is required for the execution of bonds.